

Why is there a HIPAA in
my office?



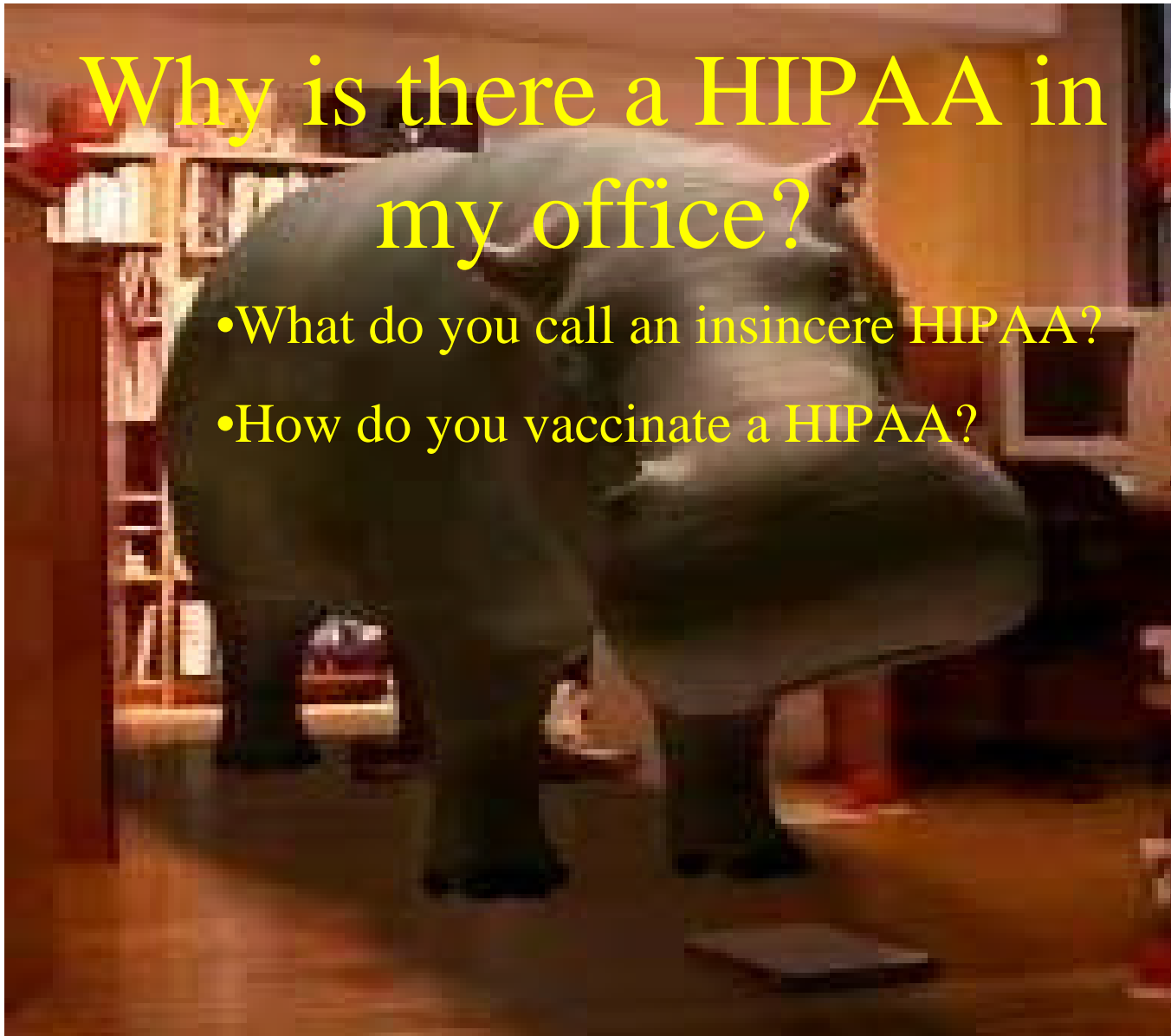
Why is there a HIPAA in my office?

- What do you call an insincere HIPAA?



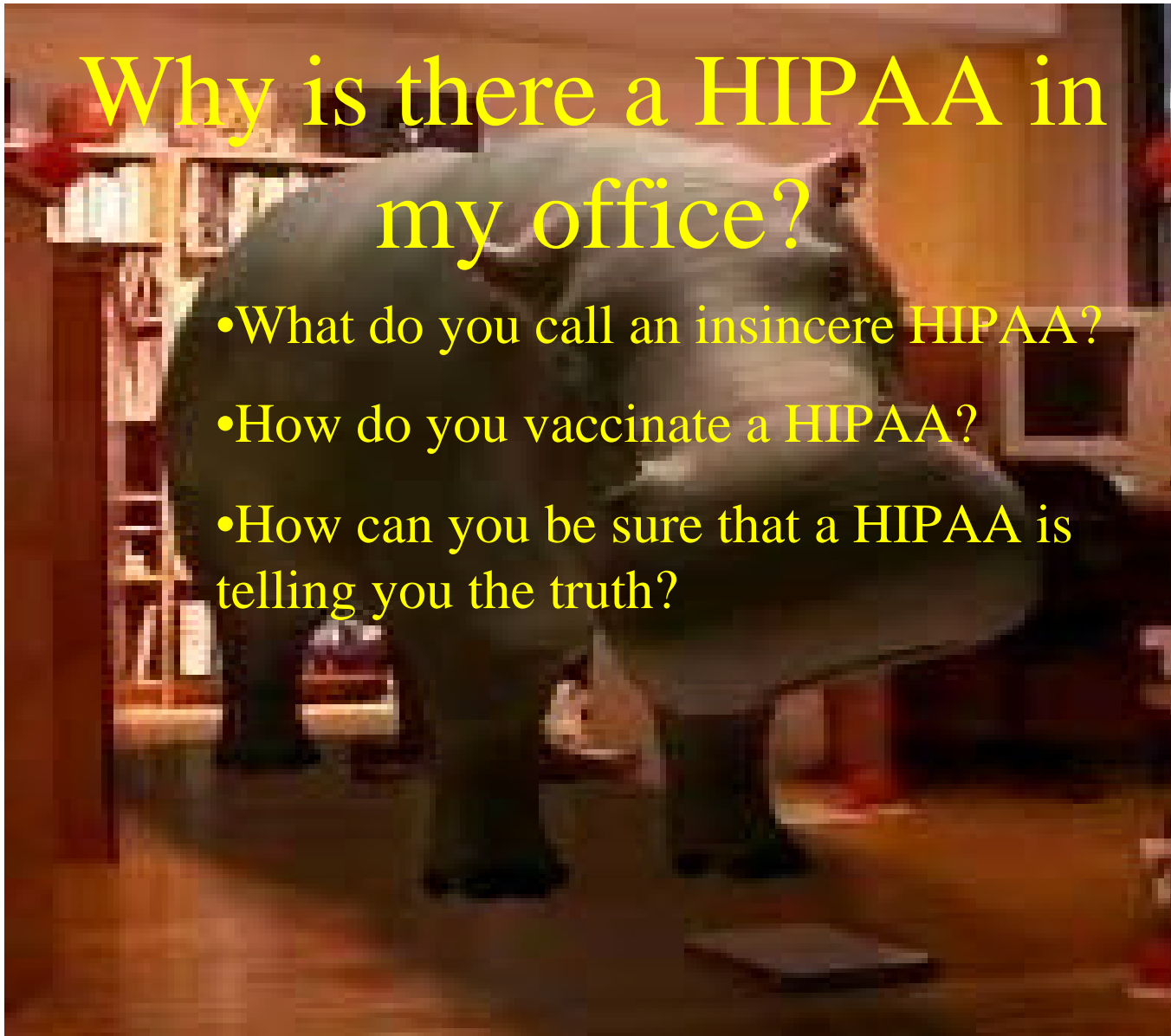
Why is there a HIPAA in my office?

- What do you call an insincere HIPAA?
- How do you vaccinate a HIPAA?



Why is there a HIPAA in my office?

- What do you call an insincere HIPAA?
- How do you vaccinate a HIPAA?
- How can you be sure that a HIPAA is telling you the truth?





Why is there a HIPAA in my office?

- What do you call an insincere HIPAA?
- How do you vaccinate a HIPAA?
- How can you be sure that a HIPAA is telling you the truth?
- What do you call two HIPAAs riding a bicycle?

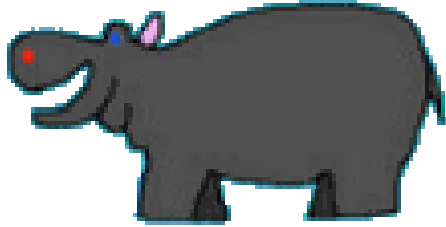
Why is there a HIPAA in
my office?



A large, dark-colored hippopotamus is standing in the center of an office. The office has wooden floors, bookshelves filled with books on the left, and a desk with a computer monitor on the right. The hippo is facing slightly to the right. The text is overlaid on the image in a yellow, serif font.

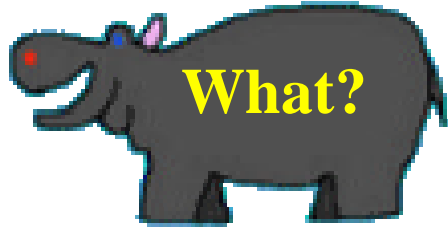
Why is there a HIPAA in
my office?

To reduce the costs of
health care administration



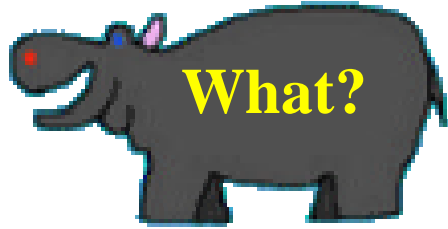
Our Message Today

- What's HIPAA? (Ted)
- Impact on Counties as Medicaid Providers (Deb)
- Impact on Counties in the Medicaid Waiver Programs (Alexia)
- Preparations and Solutions (Rich)



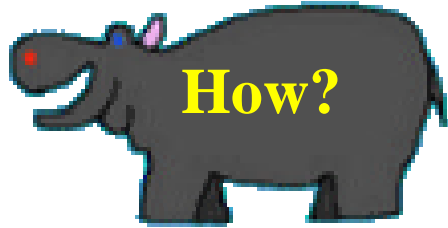
What's HIPAA?

- 1996 Federal Health Insurance Portability & Accountability Act
- Portability and continuity of health insurance
- Reduce waste, fraud and abuse
- Reduce costs through *Administrative Simplification*



Administrative Simplification

- Increase use of electronic transactions
- Transaction Standards:
 - EDI Formats
 - Contents
- Enabling Standards:
 - Privacy & Security
 - National Identifiers



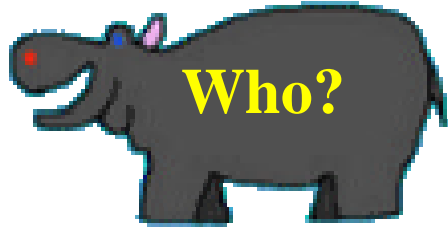
Rules

- Electronic Transactions & Code Sets (Oct 16, 2002)
- Privacy (April 14, 2003)
- Security
- Identifiers (Providers, Plans, Employers)
- Enforcement



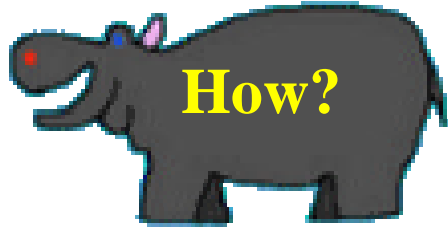
Covered Entities

- Health care providers conducting covered transactions electronically
- Health plans
- Health care clearinghouses (translation)



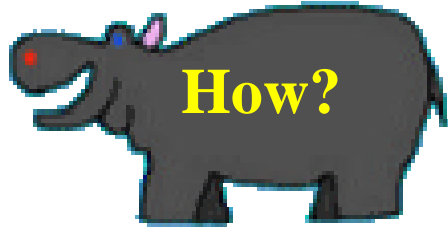
DHFS Health Plans

- Medicaid
- BadgerCare
- HIRSP (Health Insurance Risk Sharing Plan)
- Medicaid home & community based waivers (COP-W, CIP, Community Supported Living Arrangement, Brain Injury)
- Family Care
- Behavioral Health Managed Care Demos
- Partnership/PACE



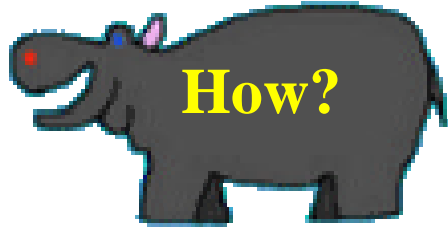
Privacy Rule

- HHS rules mandated in lieu of legislation
- Scope
 - Covered Entities
 - Personally identifiable health info
 - Regardless of form



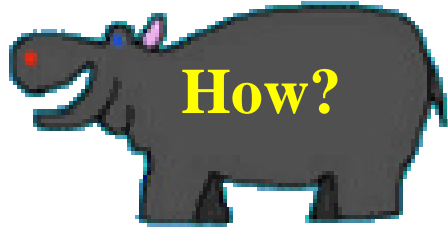
Privacy Rule

- Easy use for treatment and payment
- Limited use for national priorities (research, public health, health care system oversight, etc.)
- Written authorization for other uses



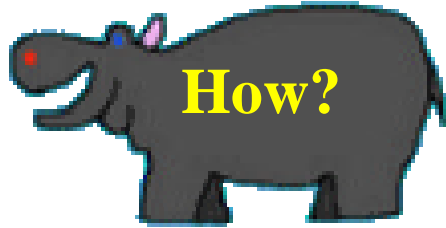
Privacy Rule

- Minimum necessary disclosure
- “Fair information practices”
 - information on use and disclosure
 - access to one’s information
 - safeguards



Privacy Rule Impacts

- Policies and procedures
- Training
- Notice of use and disclosures
- Privacy official
- Business associate agreements
- De-identification
- Preemption



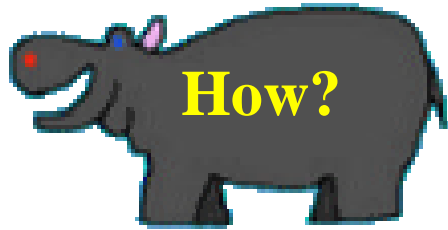
DHFS Electronic Transactions Approach

Project Coordination

Work Planning Meetings & Plan Monitoring

Business Impact Analysis	Systems & Process Analysis	Compliance Solution Design	Solution Construction	Internal & External Testing	Compliance Certification
	Transmission Protocol Analysis				

Management Reporting



DHFS Electronic Transactions Approach

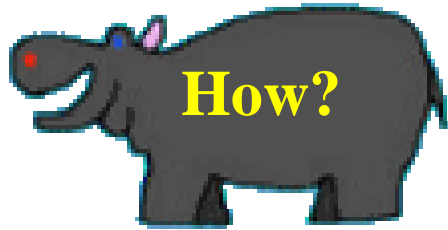
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Monitoring & Reporting

- DHHS
- Legal



DHFS Electronic Transactions Approach

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Management Reporting

Health Insurance Portability and Accountability Act

Counties as Providers

- Case Management
- Mental Health
- Community Support Program
- Crisis Intervention
- Day Treatment
- Personal Care
- Prenatal Care Coordination
- Others

Business Functions Affected by the transaction requirements of HIPAA

- Claims Submission
- Remittance and Status Reports (R&S)
- Claims Status Inquiry & Response
- Eligibility Inquiry & Response
- Prior Authorization (PA) Requests

Standard Transactions Named Under HIPAA

- Claims
 - ANSI X-12 837 Format
- Remittance & Status Report
 - ANSI X-12 835 Format
- Claims Status Inquiry & Response
 - ANSI X-12 276 and 277 Formats
- Eligibility Inquiry & Response
 - ANSI X-12 270 and 271 Formats
- Prior Authorization Request
 - ANSI X-12 278 Format
- More info at: www.wpc-edl.com

These formats contain:

- New Data Elements
- Standard Codes

National Code Sets Required under HIPAA

■ Diagnosis Codes

- ICD-9-CM

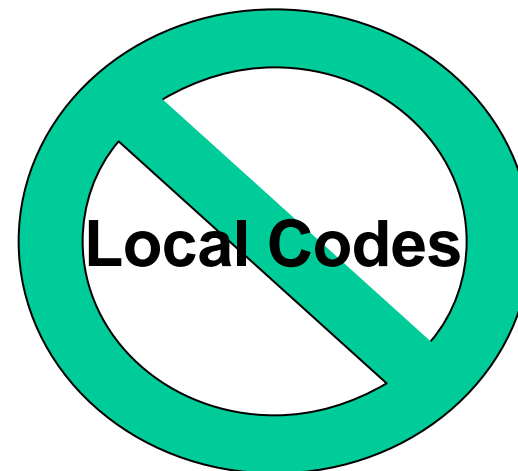
■ Procedure Codes

- CPT-4
- HCPCS
- CDT
- NDC

■ Modifiers

■ Place of Service

■ EOBs



Benefits?

Claims Submission

Today



**Many Electronic
Formats**

After HIPAA



**One Electronic
Format**

Options for Compliance

- Code System to Format Data
- Clearinghouses
- Switches
- Value Added Networks

Medicaid's Communication Plan

- Presentations at Provider Association Meetings, Conventions, and Workshops
- Provider Information Sessions
- Provider Training
- Providers Publications including:
 - Provider Updates
 - HIPAA “inSight” Publication
 - Medicaid HIPAA link on DHFS Web Site

Transaction Time-line

- Final Transaction Rule
published on August 17, 2000
- Compliance Required by
October 16, 2002

Health Insurance Portability and Accountability Act

*Impact on agencies administering
Medicaid HCBWs*

Impact of HIPAA on HCBWs

Are county agencies that
administer HCBWs health plans,
health providers, or both?

Counties as Providers

- County waiver agencies submit claims and encounter information to DHFS through the CARS and HSRS systems
- Payments are specific to claims information rather than being a block grant or premium payment
- DHFS approves eligibility of every client and preauthorizes services

Counties as Health Plans

- County waiver agencies do pay claims from providers of waiver services
- This is consistent with idea that these programs are state supervised and county administered

Counties as Health Plans

- Other providers (e.g. Lutheran Social Services) routinely subsidize services
- Counties don't appear to fit definition of an HMO found in the HIPAA rules and are neither a federally qualified HMO or an HMO under state law.

What will counties need to do if they are providers only?

County agencies can:

- conduct all transactions on paper
- process electronic bills in a non-HIPAA compliant format
- change the way they electronically bill

What will counties need to do if they are also health plans?

- Must have capability to process electronic bills submitted by providers of health services
- Non-health services are not required to be HIPAA compliant and could be processed differently

*What will counties need to do if they
are also health plans?*

If a relatively small number of
services provided by HCBWs qualify
as standard transactions under HIPAA,
counties could submit bills for medical
SPCs to a clearinghouse for claims
processing

How many SPCs are medical in nature?

Based on definitions provided in HIPAA, classed SPCs covered by COP-W and CIP II into those that would almost certainly, possibly, or almost certainly not be considered health services.

*SPCs that are almost certainly
covered under HIPAA*

- Includes services such as institutional respite, specialized medical supplies, case management, and skilled nursing services
- In CY 2000, approximately 35% of SPCs billed on HSRS fell into this category

SPCs that are possibly covered under HIPAA

- Includes services such as day center services treatment, CBRFs, and non-institutional respite
- In CY 2000, approximately 7% of SPCs billed on HSRS fell into this category

SPCs that are almost certainly not covered under HIPAA

- Includes services such as supportive home care, adaptive aids, and home delivered meals
- In CY 2000, 58% of SPCs billed on HSRS fell into this category

*How will we know which scenario
HCFA endorses?*

- Submitted opinion to Office of Legal Counsel and submitting to Feds - hope for response within a month
- Talked to other states, but thus far have not located a HCBW program that is directly analogous to Wisconsin's

What should counties do to prepare?

- At this time, seems best to prepare for worst-case scenario.
- Examine current billing system and identify how that system would need to be adapted or modified to become HIPAA compliant

What should counties do to prepare?

- Explore resources and vendors that can help you become HIPAA compliant



Implementing the Electronic Transactions & Code Sets Rule

Richard Ruby

State of Wisconsin Dept. of Health and Human Services



The Game Plan

- Assemble Team
- Rule Applicability
- Agency Impact
- Systems Analysis
- Implementing Changes
- Assuring Compliance



Assemble Team

- Agency-wide representation
 - Cuts across all program areas
- Team Composition
 - Visible Executive Sponsorship
 - Coordination & Staff support
 - Program Expertise
 - Legal Services



Rule Applicability

- Determine Covered Entity Status
 - Understand Rule Requirements
 - Internal Covered Business Functions
 - External Relationships
 - Named Transactions
- Apply Interpretations Consistently
 - Seek Clarifications and Opinions
 - Authoritative Sources



Agency Impact

- Business Analysis
 - Develop Basic Business Profile
 - Inventory What You Do
 - Individually Identifiable Health Information
 - Funding Sources
 - Who you do them with
 - Map Standard Transactions to Functions
 - Inventory Support Systems
 - » Electronic
 - » Manual



Agency Impact

- Business Environment
 - Business Relationships
 - Are Contracts Impacted?
 - Communication
 - Workflow changes
 - Manual Revisions
 - Ongoing compliance



Systems Analysis

- Map Data to Implementation Guides
 - Inbound Data
 - Outbound Data
 - Compare Code Sets
- Assess Processing Requirements
 - Can you store Data you don't use?
 - Can you get your non-standard data?
 - Can you convert code sets?



Systems Analysis

- Transmission Analysis
 - Fixed Length Vs Variable Length
 - Transmission Hierarchy
 - Required EDI Format
- Infrastructure and Capacity
- Legacy Data



Implementing Change:

Leveraging Existing Investments

- Limited System Modifications
 - Integration Wrapping
 - Translator Code
- Retire & Deploy Alternative System
 - Build Totally HIPAA Compliant System
 - Purchase Compliant System
- Outsource to Clearinghouse
- Upgrade Purchased Packages



Implementing Changes:

Other Considerations

- Testing
 - Internal
 - External
- Partner Communications
- Contracts
- Policies and Procedures
- Work Processes



Implementing Changes: Resource Options

- Vendors
 - Software
 - Legal Consulting
 - Organization Readiness & Compliance
 - Security
 - Data Services
 - Training
 - Information Products



Assuring Compliance

- Certifying Agency is HIPAA Compliant
- Training
- Contracts
- Additional HIPAA Rules
- Ongoing Monitoring



Questions?

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